



OFFICE OF THE GOVERNOR

June 12, 2014

RICK PERRY
GOVERNOR

Mr. Ted Shaw
President and CEO
Texas Hospital Association
1108 Lavaca, Suite 700
Austin, Texas 78701

Dear Mr. Shaw:

As you are aware, the Department of Veterans Affairs (VA) medical network has deep and widespread problems. An internal audit found that the most significant barrier to timely health care access was lack of capacity to handle the sheer number of veterans who need care.

I write to you today asking for assistance from the Texas Hospital Association in organizing hospitals to partner with the VA and provide our veterans more access to health care. Baylor Scott and White, Houston Methodist and CHRISTUS Health have already joined this effort. Today, I sent a letter to Acting VA Secretary Sloan Gibson notifying him that in partnership with the VA, Texas can provide a temporary solution to expand the VA patient capacity, relieve wait times and allow the VA the necessary time to identify and implement reform.

In my letter I proposed that the Veterans Health Administration (VHA) work with the Centers for Medicare and Medicaid Services to allow providers to bill through the Medicare reimbursement system. With this proposal, the VA could repay Medicare directly and providers could focus on caring for veterans rather than navigating the VA's bureaucratic paperwork. A basic agreement of this type that provides timely payment at 100 percent of Medicare rates or a rate negotiated by the institution or facility to Texas providers would immediately expand the VA's capacity to treat veterans.

This proposal builds upon the groundwork that has already been laid by federal legislation that has passed the House and Senate this week and is now headed to Conference. Together we can work to ensure everything possible is being done to get our veterans the care they deserve. Please share this letter with your members and invite them to contact my office so that we may compile a list of institutions willing to serve veterans in this manner and forward it to the secretary. Institutions may provide their information to Andria Franco in my office at Andria.Franco@governor.state.tx.us.

Sincerely,

A large, stylized handwritten signature of Rick Perry in black ink.

Rick Perry
Governor

RP:afp